

Poverty in Miami-Dade

Two years after our published Data Flash reported the highest poverty rate for Miami-Dade County since 1960, the recently released 2012 American Community Survey (ACS) data reveal a snapshot of poverty that is not improving. Despite the continuing economic recovery, poverty rates have remained stagnant or increased slightly at the county, state, and national levels since the end of the Great Recession in 2009. While the unemployment rate, a strong indicator of economic expansion or contraction, moved in the same direction as the poverty rate from 2005 to 2010 (declining from 2005 to 2007 and spiking during 2007 to 2010), since 2010 the unemployment rate has steadily decreased with no matching fall in the poverty rate (see Figure 1). The County's unemployment rate dropped from 13.1 to 11.9 percent in the 2010-2012 post-recession period. At the same time, both family and individual poverty rates slightly increased, climbing to 18.9 and 20.8 percent, respectively.

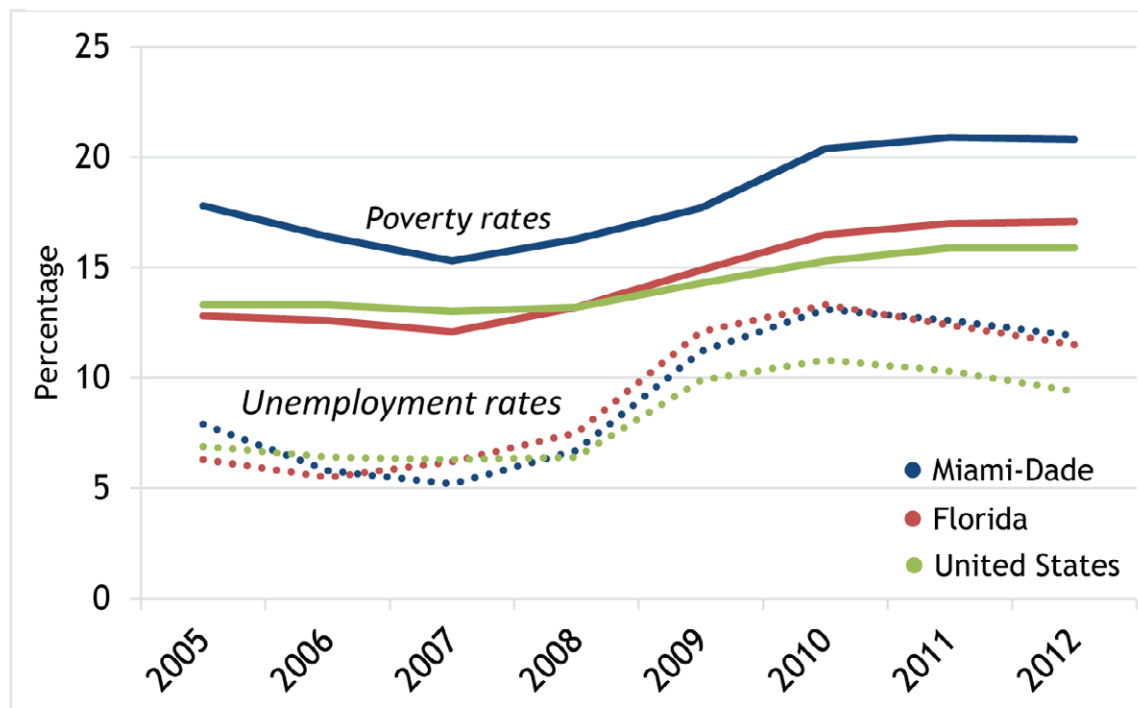
Poverty, defined by the Census Bureau for a family of four as annual income below \$23,050 and adjusted according to household size, has consistently been more prevalent in Miami-Dade than in the rest of Florida and the entire United States. Figure 1 shows these differences for the three distinct geographic units from 2005 to 2012, highlighting poverty and unemployment rates for individuals. Given

recent population growth, the 2012 poverty rate corresponds to more than 530,000 county residents in poverty, an increase of 22.9 percent since 2009.

Nearly one of every three county residents living in poverty is under 18 years old, while one of every seven is 65 years and over. Those over age 65 are much more likely to face poverty in Miami-Dade than in the rest of the state or country; this age group suffers a poverty rate of 20.6 percent in Miami-Dade compared to 10.2 and 9.5 percent in Florida and the U.S., respectively. Especially disconcerting is the prevailing trend for the youngest of the County's residents; while the rate for those 65 years and over has remained relatively stable, the rate for children continues to increase, rising from 23.6 percent in 2009 to 29.6 percent in 2012. In fact, 13.6 percent of county children live below 50 percent of the poverty line; often referred to as "deep poverty," this 50 percent cutoff corresponds to \$11,525 of annual income for a family of four.

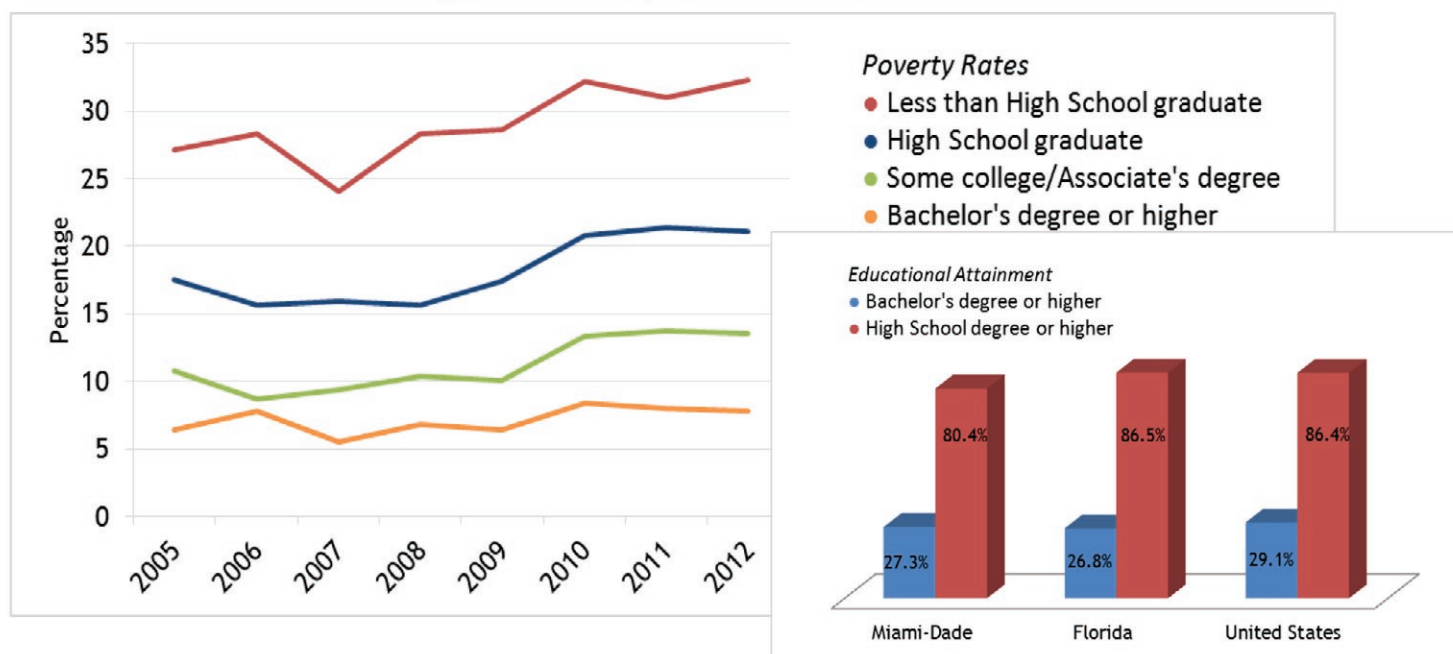
In addition to age, the ACS data highlight several characteristics of the population below the poverty line. Here, we focus on county poverty in terms of education, household types, race/ethnicity, nativity/citizenship, and work status.

Figure 1: Poverty and Unemployment



Source: Miami-Dade Department of Regulatory & Economic Resources, Planning Division, Planning Research Section; U.S. Census Bureau, American Community Survey, 2012.

Figure 2: Poverty and Educational Attainment



Source: Miami-Dade Department of Regulatory & Economic Resources, Planning Division, Planning Research Section; U.S. Census Bureau, American Community Survey, 2012.

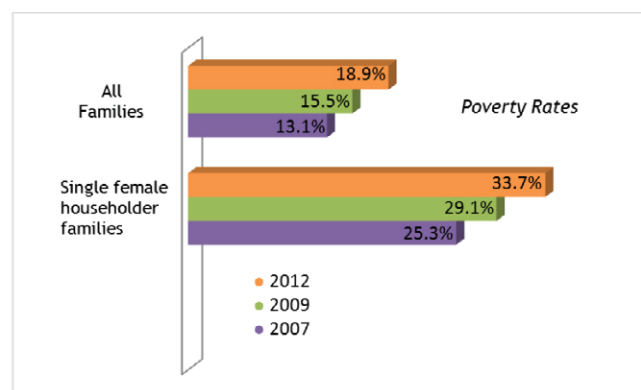
Education: It is commonly accepted that educational attainment is a fundamental determinant of income, and in turn, likelihood of poverty. The main panel of Figure 2 clearly describes the negative relationship between educational attainment and the associated poverty rate for the population 25 years and over, with each successively lower category of educational attainment suffering a higher rate of poverty throughout the 2005-2012 time period without exception. At a rate of 32.3 percent, residents having less than a high school degree are 2.4 times more likely to be in poverty than residents with some college or an Associate's degree; comparing to residents with a Bachelor's degree or higher, this figure rises to 4.1. Furthermore, while the percentage of Miami-Dade residents not having graduated from high school has been declining, falling below 20 percent in 2012, the population not having a high school degree continues to be the most numerous among persons in poverty in terms of educational attainment. Standing at nearly 111,000 persons countywide, it accounts for 35 percent of those in poverty age 25 years and higher.

Evaluating how the County compares to the rest of the state and country, the inset of Figure 2 shows the fact that it depends on the chosen measure of educational attainment. Of persons 25 years and over, 86.5 and 86.4 percent have a high school degree or above

in Florida and the U.S., respectively, while Miami-Dade sits at 80.4 percent. In contrast, Miami-Dade surpasses Florida in the percentage of residents with a Bachelor's degree or higher at 27.3 percent, but still trails the 29.1 percent found for the country as a whole.

Household type: Among county households by type, families headed by a single female suffer the highest poverty rate, having been more likely to be in poverty during the recession and post-recession years. Although all family households have faced increasing poverty

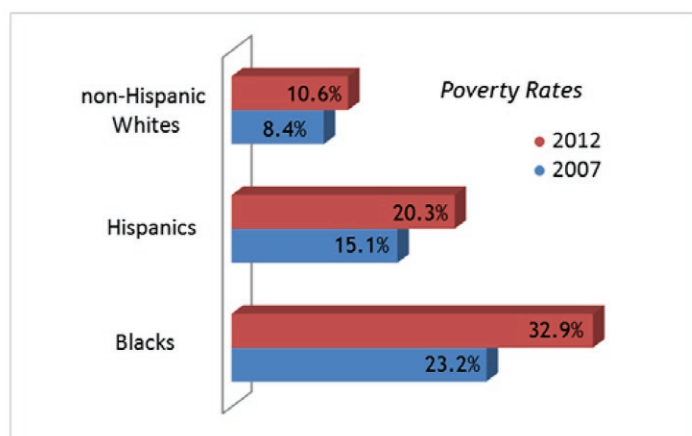
Figure 3: Poverty and Household Category



Source: Miami-Dade Department of Regulatory & Economic Resources, Planning Division, Planning Research Section; U.S. Census Bureau, American Community Survey, 2012.

since 2009, Figure 3 shows how this demographic has suffered a poverty rate nearly double that of families in general. The 2007, 2009, and 2012 measures highlight the beginning and end of the recession, as well as the recent poverty peak. Of the 209,000 families in poverty in this category, nearly half are in deep poverty, living with income below 50 percent of the poverty line.

Figure 4: Poverty and Race/Ethnicity



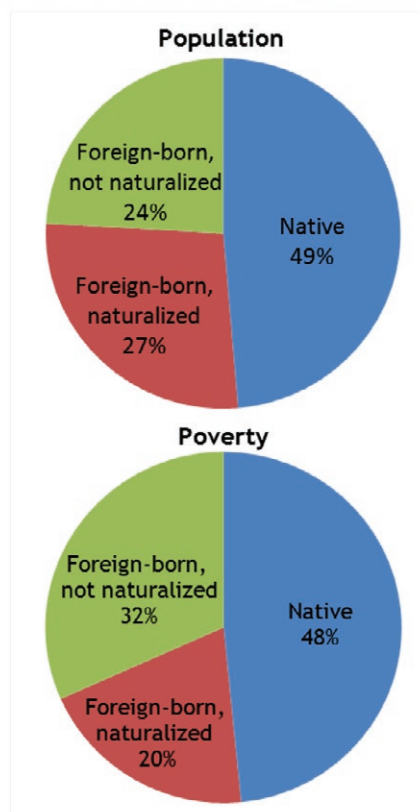
Source: Miami-Dade Department of Regulatory & Economic Resources, Planning Division, Planning Research Section; U.S. Census Bureau, American Community Survey, 2012.

Race/Ethnicity: Figure 4 highlights the existence of a county poverty gap between Blacks, Hispanics, and non-Hispanic Whites, a gap that has increased since 2007. Comparing the 2012 data, Blacks are 1.6 times as likely to be in poverty as Hispanics, and 3.1 times as likely as non-Hispanic Whites. While all three groups' poverty rates have increased since the recession began, the poverty rate for Blacks has spiked the most, rising from 23.2 to 32.9 percent over the last five years. This 41.8 percent increase compares to 34.4 and 26.2 percent surges for Hispanics and non-Hispanic Whites, respectively, during the same 2007-2012 time period.

Nativity/Citizenship: Poverty rates for native- and foreign-born residents have followed similar paths, both increasing since 2007. At 20.9 percent, the poverty rate for the foreign-born just surpasses that of 20.7 percent for the native-born, rising from the 2007 rates of 15.6 and 15.0 percent, respectively. Dividing the foreign-born by citizenship reveals further details as to how poverty affects the foreign-born population that accounts for 51.3 percent of Miami-Dade's residents. Naturalized citizens, 53.1 percent of the county foreign-born population, consistently face a poverty rate lower than the 2012 native-born poverty rate of 15.2 percent. In contrast, those who are foreign-born and not naturalized suffer a poverty rate considerably higher than that of the native-born, this higher rate rising to 27.3 percent in 2012. Figure 5 depicts the disproportionate number of the non-naturalized foreign-born who are in poverty, as the corresponding portion of total poverty is larger than the corresponding portion of this group's overall population.

Work Status: The decrease in average hours worked per week by employed workers between 16 and 64 years old is a notable trend since 2007 for the entire country, a trend that started even earlier for Miami-Dade, where the average hours worked per week has decreased from 39.6 to 38.4 since 2007. Not surprisingly, the increase in the percentage of the population either not working or working part-time appears to influence the county's increasing poverty. From 2007 to 2009, this portion of residents age 16 to 64 remained relatively constant at 48.6 and 48.8 percent, respectively; however, since 2009, the percentage has increased to 51.9 percent.

Figure 5: Poverty and Nativity/Citizenship



Source: Miami-Dade Department of Regulatory & Economic Resources, Planning Division, Planning Research Section; U.S. Census Bureau, American Community Survey, 2012.

In summary, despite the ongoing economic recovery, poverty rates are not decreasing countywide. For most demographic groups analyzed in this report, the percentage of individuals in poverty has actually increased since the end of the recession in 2009. In terms of characteristics of poverty, the ACS data allow for the identification of several groups suffering consistently high rates of poverty or large increases in rates during the last five years. Certainly a cause for concern, the specific groups highlighted include: children (under 18 years), residents 65 years and over, residents with low educational attainment (especially less than a high school degree), families with a single female householder, Blacks, recent immigrants who are more likely to not be naturalized citizens, and part-time workers.

Poverty Rates for Selected Groups in Miami-Dade County 2009-2012

	2009			2012		
	Total	Below poverty level	Percent below poverty level	Total	Below poverty level	Percent below poverty level
Population for whom poverty status is determined	2,440,292	431,932	17.7%	2,551,967	530,809	20.8%
SEX						
Male	1,172,443	181,729	15.5%	1,234,660	235,820	19.1%
Female	1,267,849	249,766	19.7%	1,317,307	293,759	22.3%
AGE						
Under 18 years	569,887	134,493	23.6%	540,368	159,949	29.6%
Related children under 18 years	568,354	132,995	23.4%	538,260	157,710	29.3%
18 to 64 years	1,516,198	222,881	14.7%	1,641,449	293,819	17.9%
65 years and over	354,207	74,738	21.1%	370,150	76,251	20.6%
EDUCATIONAL ATTAINMENT						
Population 25 years and over	1,648,282	252,187	15.3%	1,769,590	314,987	17.8%
Less than high school graduate	372,467	106,526	28.6%	342,804	110,726	32.3%
High school graduate (includes equivalency)	451,768	78,608	17.4%	511,308	107,886	21.1%
Some college or Associate's degree	398,201	40,218	10.1%	428,047	57,786	13.5%
Bachelor's degree or higher	425,846	27,254	6.4%	487,431	38,020	7.8%
LIVING ARRANGEMENT						
In family households	2,110,299	327,096	15.5%	2,194,179	414,700	18.9%
In married-couple family	1,349,750	121,478	9.0%	1,359,770	160,453	11.8%
In female householder, no husband present households	566,096	164,734	29.1%	621,384	209,406	33.7%
In other living arrangements	329,993	103,948	31.5%	357,788	114,492	32.0%
RACE AND HISPANIC OR LATINO ORIGIN						
One race	2,404,471	425,591	17.7%	2,516,759	523,486	20.8%
White	1,807,583	274,753	15.2%	1,941,299	349,434	18.0%
Black or African American	458,051	128,712	28.1%	475,276	156,366	32.9%
American Indian and Alaska Native	4,274	684	16.0%	3,106	994	32.0%
Asian	40,776	4,771	11.7%	41,765	7,434	17.8%
Native Hawaiian and Other Pacific Islander	548	146	26.6%	700	339	48.4%
Some other race	93,239	16,690	17.9%	54,613	10,213	18.7%
Two or more races	35,821	4,872	13.6%	35,208	5,845	16.6%
Hispanic or Latino origin (of any race)	1,543,967	265,562	17.2%	1,650,457	335,043	20.3%
White alone, not Hispanic or Latino	419,033	42,741	10.2%	405,629	42,997	10.6%
NATIVITY AND CITIZENSHIP STATUS						
Native	1,212,313	221,853	18.3%	1,242,124	257,120	20.7%
Foreign born	1,227,979	208,756	17.0%	1,309,843	273,757	20.9%
Naturalized citizen	617,133	82,696	13.4%	695,017	105,643	15.2%
Not naturalized	610,846	125,834	20.6%	614,826	167,847	27.3%
WORK STATUS						
Population 16 to 64 years	1,575,013	234,677	14.9%	1,704,292	311,885	18.3%
Worked full-time, year-round	805,918	29,819	3.7%	821,351	40,246	4.9%
Worked less than full-time, year-round	354,975	67,090	18.9%	380,917	85,706	22.5%
Did not work	414,120	137,074	33.1%	502,024	185,749	37.0%
All Individuals below:						
50 percent of poverty level	180,581	–	–	216,917	–	–
125 percent of poverty level	580,789	–	–	704,343	–	–

Source: Miami-Dade Department of Regulatory Economic Resources, Planning Division, Planning Research Section; U.S. Census Bureau, American Community Survey, 2012.